

happened with this situation. Perhaps before we vote on those amendments or on the amendment, I would like to go over some material that I have here to bring you up to date as to actually what is happening and what has happened and why this bill is before us. First of all, what is the medically indigent program? The MI program is a part of the County General Assistance Program which provides medical services to the needy. Question. Why is the MI program referred to separately from the County General Assistance Program? Answer. In 1982 Governor Thone proposed to have the state assume the entire welfare program of Nebraska except the medical services provided to the poor. Thone's proposal included the state taking over the federal, state and county funded Medicaid, the federal, state and county funded catastrophic illness, the federal and county funded emergency assistance and the county funded general assistance. Governor Thone carved out the medical service from general assistance and left this entirely county funded because the costs were unpredictable. LB 522 in 1982 passed and required the state to take over the Medicaid program, catastrophic illness, emergency assistance and general assistance program with the county. Since the counties were getting almost entirely out of the welfare picture and would have no employees to administer it, it was agreed in LB 522 that the state would run the only county welfare program, a medically indigent program. Question. How did the passage of LB 64 of last year affect the amendment codified in LB 52 of 1982? Answer. Governor Kerrey saw that the state could not afford an immediate takeover of Medicare...caid, emergency assistance, catastrophic illness and general assistance. The total cost of these programs in 1983 was \$22 million. LB 604 provided a four-year takeover of Medicaid only and left all other programs to be financed as they were prior to LB 522 in 1982. Thus the counties pay the full cost of general assistance including the medically indigent portion, share the cost of the catastrophic illness program, 50 percent federal, 25 percent state and 25 percent county and share the cost of emergency assistance with the federal government on a fifty-fifty basis. The medically indigent program was untouched by LB 604. It was not amended due to failure to...it was not amended due to failure to agree. There was no explicit agreement to